

**CHAPTER NO. 505**

**HOUSE BILL NO. 800**

**By Representatives Baird, Armstrong, Hackworth**

**Substituted for: Senate Bill No. 104**

**By Senator Kilby**

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, relative to distribution of sales and use tax receipts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following language as a new subsection:

(h)

(1) Notwithstanding the allocations provided for in subsection (a), there shall be apportioned and distributed to any county in which there is a state park containing approximately six thousand five hundred (6,500) acres, of which approximately four thousand (4,000) acres are an impounded reservoir, a portion of which is owned by the Tennessee Valley Authority, over which an easement has been given to the state and the state has leased or otherwise conveyed its rights to the property to such county for development, an amount equal to the amount of state and local sales taxes derived from sales occurring within such property. Such amount distributed to the county shall be exclusively for retirement of the indebtedness incurred by such county for development of such property, to the same extent that such county may pledge any revenues of the county.

(2)

(A) Notwithstanding any provision of this subsection to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to Section 9, Chapter 529 of the Public Acts of 1992, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) pursuant to Section 4, Chapter 856 of the Public Acts of 2002, shall be apportioned and distributed pursuant to this subsection. All such revenue shall continue to be allocated as provided in Chapter 529 of the Public Acts 1992 and Chapter 856 of the Public Acts of 2002.

(B) Notwithstanding any provision of this subsection to the contrary, prior to any annual distribution pursuant to subdivision (1), an amount equal to the state sales and use taxes collected within such area in fiscal year 2004-2005 shall be deposited in the treasury and allocated as otherwise provided by law.

(3) Prior to the issuance of any bonds for development of property subject to the provisions of this subsection, the county legislative body shall submit its plan for development to the executive committee of the state building commission for such committee's review and recommendation to the state building commission.

SECTION 2. This act shall become operative only if the estimated cost of software changes necessary to implement the provisions of this act are paid to the department of revenue by Campbell County. Such payment shall be made prior to any expenditure of funds by the state. The department shall return any unused portion of the estimated cost to Campbell County within thirty (30) days of completion of the software changes necessary to implement the provisions of this act. If the actual cost exceeds the estimated cost, an amount equal to the difference in such costs shall be remitted to the department by Campbell County within thirty (30) days of receiving an itemized invoice of the actual cost from the department.

SECTION 3. This act shall take effect July 1, 2005, the public welfare requiring it.

PASSED: May 28, 2005

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

APPROVED this day of 2005

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PHIL BREDESEN, GOVERNOR

Pursuant to Article III, Section 18, of the Constitution of the State of Tennessee, the Governor had House Bill No. 800 in his possession longer than ten (10) days; therefore, the bill becomes law without the Governor's signature.